

**PROPOSED COMPTROLLER INSTRUCTION NO.**

**SUBJECT : General - Accounts Payable for Property Procured at Headquarters**

**Specific - Maintenance Procedures**

**1. PURPOSE**

This instruction establishes responsibilities and prescribes procedures to be effective \* for the maintenance and servicing of accounts relating to amounts due and payments for property which is subject to Headquarters property procedures. The Charts and Descriptions of Accounts for the Fiscal and Finance Divisions are being revised to provide accounts which are designed to facilitate identification of transactions to the Agency components having primary servicing responsibility.

**2. GENERAL**

The liability for all amounts due for property which is subject to Headquarters property procedures will be recorded by the Finance Division in a credit balance account and payments therefor will be recorded in a separate debit balance accounts payable account. The Office of Logistics will assume the basic responsibility for investigating items of \$25 or more which are not cleared within a reasonable period of time (to be jointly determined by Office of the Comptroller and Office of Logistics). Payments for such property from vouchered fund allotments will be recorded exclusively in a payments account (a debit balance accounts payable account) on Fiscal Division records. Listings of payments for which no payable is established after a reasonable time interval (to be jointly determined by the Office of the Comptroller and the Office of Logistics) will be referred to the Office of Logistics for investigation as to why the property for which the payment was made has not been recorded.

**3. RESPONSIBILITIES AND PROCEDURES**

**a. The Office of Logistics shall:**

- (1) Code and process as "input" to ADPD, receiving reports for property which is subject to Headquarters property procedures.
- (2) Review periodic machine listings as described below and initiate appropriate corrective action on a current (within 30 days from receipt of listing) basis to adjust the stock records and the payable account.

\* Effective date to be 31 July 1963 or as soon thereafter as feasible.

Excluded from automatic  
downgrading and  
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- (a) Listings of matching payments and payables with differences of \$25 or more. These listings of transactions which match by receiving report and purchase order numbers will be prepared on a monthly basis; separate listings will be prepared for payables which match payments charged to vouchered fund allotments and to confidential fund allotments, respectively.
- (b) Listings of unmatched payments recorded for longer than a specific time interval (e.g., two months) to be jointly determined by the Office of Logistics and the Office of the Comptroller. These listings will be prepared on a monthly basis with separate listings for payments charged to vouchered fund allotments and to confidential fund allotments, respectively.
- (c) Listings of unmatched payables recorded for longer than a specific time interval, (e.g., twelve months) to be jointly determined by the Office of Logistics and the Office of the Comptroller. These listings will be prepared with a frequency also to be jointly determined by the Offices concerned.

b. The Finance Division shall:

- (1) Prepare posting vouchers to record acquisitions of property subject to Headquarters property procedures, the related payables, and adjustments thereof, based upon listings prepared by the Automatic Data Processing Division from data furnished by the Office of Logistics.
- (2) Effect confidential fund payments for property subject to Headquarters property procedures in accordance with normal procedures except for such payments as are effected by the Industrial Contract Audit Division; record debit or credit adjustments as appropriate to the payments account with contra entry to the Inventory Acquisition Cost Difference account for taxes, cash discounts, and trade-in allowance credits.
- (3) Review monthly listings of matched confidential fund payments and payables with differences of \$25 or more for general accuracy of confidential fund payment entries and forward to the Office of Logistics for review and corrective action.
- (4) Forward monthly listings of unmatched confidential fund payments of agreed age to the Office of Logistics for review and corrective action.

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- (5) Forward periodic listings of unmatched payables of agreed age to the Office of Logistics for review and corrective action.
- (6) Review any cases in which Office of Logistics review of listings furnished to that Office indicates that corrective action is required by the Finance Division; voucher any adjustments required.
- (7) Prepare monthly posting vouchers as follows:
  - (a) On the basis of the monthly listings of matched confidential fund payments and payables and vouchered fund payments and payables with differences under \$5, debit or credit the "payable" account with contra entry to the appropriate nominal property cost adjustment account for the net sum of the differences (ADPD processing of this voucher will result in line item adjustments to the payable account for the difference on each matched item, so that the next matching will reflect zero differences).
  - (b) On the basis of the monthly listings of matched confidential fund payments and payables with zero differences, debit the payable account and credit the payment account for the total of the items listed (ADPD processing of this voucher will result in line item debits to the payable account and credits to the payment account so that the respective accounts will come to zero balances for the matching items which then will be cleared from the accounts on the basis of normal zero balance processing).
  - (c) On the basis of the monthly listing of matched vouchered fund payments and payables with zero differences, an entry will be made in the total amount of the items listed debiting the payable account and crediting the new reciprocal control account which has been established to provide a control to assure that a corresponding entry is made by the Fiscal Division.
- c. The Industrial Contract Audit Division shall prepare posting vouchers consistent with the instructions provided above for the Finance Division for payments from confidential funds for property subject to Headquarters property procedures. Such posting vouchers shall be supported by a copy of the receiving report and the related invoice for which payment is made.

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1. The Fiscal Division shall:

- (1) Prepare posting vouchers for vouchered fund allotment payments for property subject to Headquarters property procedures with a debit to the newly established "payments" account and credit to cash with a concurrent debit or credit adjustment as appropriate to the "payments" account and contra to the newly established nominal property cost adjustment account for taxes, cash discounts, and trade-in allowance credits.
- (2) Review monthly listings of matched vouchered fund payments and payables with differences of \$25 or more for general accuracy of Fiscal Division entries and forward to the Office of Logistics for review and corrective action.
- (3) Forward monthly listings of unmatched vouchered fund payments of agreed age to the Office of Logistics for review and corrective action.
- (4) Review any cases in which Office of Logistics review of listings furnished to that Office indicates that corrective action is required by the Fiscal Division; voucher any adjustments required.
- (5) Prepare monthly posting vouchers on the basis of the monthly listing of matched vouchered fund payments and payables with zero differences to debit the new reciprocal control account which has been established to assure that the corresponding entry was vouchered by the Finance Division and credit the payment account (ADPD processing of this voucher and the corresponding Finance Division voucher will result in line item entries to the payment and payable accounts and cause zero balances within the accounts which will then be dropped on the basis of normal zero balance processing).

2. Automatic Data Processing Division shall:

- (1) Observe the normal procedures for processing Office of Logistics "input" for property transactions and for the processing of posting vouchers prepared by the Fiscal Division and by the Finance Division relating to property transactions.
- (2) At the end of each month, provide detail listings for the following accounts for use by Fiscal Division and Finance Division, respectively, in confirming that the subaccount detail is in balance with the related general ledger control accounts:

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- (a) Fiscal Division payment account.
  - (b) Finance Division payment account.
  - (c) Finance Division payable account.
- (3) Process the subaccount detail of the above listed accounts and provide listings as of the end of each month as follows:
- (a) Provide Finance Division with:
    - 1 Summary listing of matching confidential fund allotment payments and payables with zero differences.
    - 2 Summary listing of matching confidential fund allotment payments and payables with differences under \$25.
    - 3 Summary listing of matching vouchered fund allotment payments and payables with differences under \$25.
    - 4 Detail listing of all matching confidential fund allotment payments and payables with a balance of \$25 or above.
    - 5 Summary listing of unmatched confidential fund allotment payments recorded for longer than a specified time interval.
    - 6 Copy of listing provided to Fiscal Division as prescribed in paragraph (b)1, below.
  - (b) Provide Fiscal Division with:
    - 1 Summary listing of matching vouchered fund allotment payments and payables with zero differences.
    - 2 Detail listing of matching vouchered fund payments and payables with differences of \$25 or more.
    - 3 Summary listing of unmatched vouchered fund payments recorded for longer than a specified time interval.
- (4) With a frequency to be determined, provide Finance Division with listings of unmatched payables recorded longer than a specified time interval.

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- (5) Process the posting vouchers prepared by Finance Division on the basis of the listings provided pursuant to steps 3e(3)(a)2 and 3e(3)(a)3 to establish line item debit or credit adjustments in the payable account for the difference of each matched account.
- (6) Process the posting vouchers prepared by the Fiscal Division and Finance Division, respectively, on the basis of listings provided pursuant to paragraphs 3e(3)(a)1, 3e(3)(a)6, and 3e(3)(b)1 to establish by line item debits to the payable account and credits to the payments accounts, as applicable, for the gross amounts of the matched payments and payables.
- e. The Budget Division, in the preparation of consolidated Agency financial statements, shall reflect the net Agency liability for amounts due for property procured at Headquarters by combining the Fiscal Division payments account and the Finance Division payments and payables accounts.

  
Deputy Comptroller

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CONCUR in Paragraph 3a:

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Director of Logistics

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Date